AMENDED IN SENATE SEPTEMBER 11, 2015 AMENDED IN SENATE MARCH 26, 2015

SENATE BILL

No. 297

Introduced by Senator McGuire

February 23, 2015

An act to amend Section 18901.10 of, and to add Section 10508 to, the Welfare and Institutions Code, relating to public social services. relating to medical marijuana.

LEGISLATIVE COUNSEL'S DIGEST

SB 297, as amended, McGuire. Public benefits: eligibility determinations. Medical marijuana.

Existing law, the Compassionate Use Act of 1996, an initiative measure enacted by the approval of Proposition 215 at the November 5, 1996, statewide general election, authorizes the use and cultivation of marijuana for medical purposes. Existing law makes it a crime to plant, cultivate, harvest, dry, or process marijuana, except as otherwise authorized by law. Under existing law, qualified patients, persons with valid identification cards, and the designated primary caregivers of qualified patients and persons with identification cards, who associate in order collectively and cooperatively to cultivate marijuana for medical purposes, are not subject to criminal sanctions solely on the basis of that fact.

This bill would state that it is the intent of the Legislature to enact legislation that imposes an excise tax on medical marijuana at the point of sale.

(1) Existing law provides for financial and food assistance benefits to needy Californians including, among other programs, the California Work Opportunity and Responsibility to Kids (CalWORKs) program

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and CalFresh, under which each county provides for financial and food assistance benefits to qualified individuals who meet specified eligibility eriteria.

This bill would require the State Department of Social Services to develop and make available to the Statewide Automated Welfare System an electronic verification process that allows county human services agency eligibility workers to, at their option, access data available electronically from public and private agencies and programs for use in connection with the determination of eligibility for specified means-tested public benefit programs.

(2) Existing federal law provides for the federal Supplemental Nutrition Assistance Program (SNAP), known in California as CalFresh, formerly the Food Stamp Program, under which supplemental nutrition assistance benefits allocated to the state by the federal government are distributed to eligible individuals by each county. Under existing law, county human services agencies administer CalFresh.

Existing law requires each county human services agency, to the extent permitted by federal law, to exempt a household from complying with face-to-face interview requirements at initial application and recertification, and authorizes a person eligible for an exemption from the face-to-face interview requirement to request a face-to-face interview to establish initial eligibility or comply with recertification requirements.

This bill would instead require a county human services agency to conduct a telephone interview for purposes of determining eligibility at initial application and recertification, except as provided, and would require a county human services agency to facilitate submission of required documents using electronic and telephone technologies to the greatest extent possible. The bill would also expand the circumstances under which a face-to-face interview is required, and would authorize an electronic interview to be conducted if the county human services agency and the applicant or recipient both have the capacity to participate in an electronic interview. The bill would require the department to issue guidance for recording and storing electronic and telephonic signatures. By increasing the duties of county human services agencies administering CalFresh, this bill would impose a state-mandated local program.

The bill would require the State Department of Social Services to coordinate with county human services agencies to make available a standard technological solution that has the capacity to store telephonic and electronic signatures, as specified.

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(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: <u>yes-no</u>. State-mandated local program: <u>yes-no</u>.

The people of the State of California do enact as follows:

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1 SECTION 1. It is the intent of the Legislature to enact 2 legislation that imposes an excise tax on medical marijuana at the 3 point of sale.

SECTION 1. Section 10508 is added to the Welfare and Institutions Code, to read:

10508. (a) In order to ensure timely and accurate decisions on applications for means-tested public benefit programs under this division, the department shall develop and make available to the Statewide Automated Welfare System established pursuant to Section 10823, an electronic verification process that allows county human services agency eligibility workers to, at their option, access data available electronically from appropriate public and private agencies and programs for use in connection with the determination of eligibility for means-tested public benefit programs under this division. In developing this electronic verification process, the department shall consult with county human services agencies, eligibility workers, representatives of the Statewide Automated Welfare System, and client advocates. It is the intent of the Legislature that the electronic verification process be utilized to the greatest extent possible prior to requesting verification of data elements from an applicant or recipient.

- (b) The electronic verification process identified in subdivision (a) shall be completed no later than the expiration of the federal waiver for Office of Management and Budget Circular A-87, which requires states to evenly allocate the development costs for systems that are federally funded.
- (c) (1) If the electronic verification process developed pursuant to subdivision (a) includes information obtained from an agency

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1 that is subject to the requirements of either the federal Fair Credit

- 2 Reporting Act (15 U.S.C. Sec. 1681 et seq.) or the Consumer Credit
- 3 Reporting Agencies Act (Title 1.6 (commencing with Section
- 4 1785.1) of Part 4 of Division 3 of the Civil Code), the department
- shall report to the Legislature regarding the ways in which the
 electronic verification process guarantees the rights established
- 7 under these laws to protect individuals from negative actions
- 8 resulting from incorrect information.

- (2) A report submitted pursuant to this subdivision shall be submitted in compliance with Section 9795 of the Government Code.
- SEC. 2. Section 18901.10 of the Welfare and Institutions Code is amended to read:
- 18901.10. (a) To the extent permitted by federal law, and except as provided in paragraphs (1) and (2), each county human services agency shall conduct a telephone interview for purposes of determining eligibility at initial application and recertification and shall facilitate submission of required documents using electronic and telephone technologies to the greatest extent possible.
- (1) A face-to-face interview shall be conducted if any of the following occur:
- (A) A face-to-face interview is requested by the applicant, recipient, or authorized representative.
- (B) On a case-by-case basis, a face-to-face interview is deemed necessary by the county to clarify a condition of eligibility.
- (C) A face-to-face interview is required in order to make timely and reasonable accommodations to serve a household with a person who has a disability, is advanced in age, or is homeless. For purposes of this subparagraph, the face-to-face interview shall be conducted in a mutually acceptable location.
- (2) An electronic interview may be conducted in place of a telephone or face-to-face interview if the county human services agency and the applicant or recipient both have the capacity to participate in an electronic interview.
- (3) A face-to-face, telephone, or electronic interview shall be conducted by a county human services agency eligibility worker.
- (b) (1) In order to facilitate submission of required information by applicants and recipients, the department shall issue guidance

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for recording and the storing of electronic and telephonic signatures.

- (2) The department shall coordinate with county human services agencies to make available a standard technological solution that has the capacity to store telephonic and electronic signatures. The department shall, in identifying this solution, work with county human—services—agencies, client—advocates, the Statewide Automated Welfare System, and the Office of Systems Integration to ensure maximum compatibility with the Statewide Automated Welfare System and to provide that the telephonic and electronic signatures will be stored within the Statewide Automated Welfare System, as appropriate.
- (3) A county shall not be required to use the solution identified pursuant to paragraph (2) if the county is complying with the guidance established by the department pursuant to paragraph (1). It is the intent of the Legislature that this section ensure that applicants and recipients in all counties have the ability to utilize telephonic and electronic signatures.
- (c) The state shall not, nor shall any county, allow an eligibility interview to be conducted by anyone other than a county human services agency eligibility worker.
- SEC. 3. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.